



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 17, 2010

Byron Ray
Utah Pumice and Perlite, Inc.
890 East 450 South
Smithfield, Utah 84335

Subject: Deficient Application for Transfer of Notice of Intention (Form MR-TRS), Utah Pumice and Perlite Inc., Cudahy Mine, S027/0055, Millard County, Utah

Dear: Mr. Ray

On August 9, 2010, the Division received an Application for Transfer of Notice of Intention for the Cudahy mine from Utah Pumice and Perlite to Ray Mining. The transfer is conditionally approved upon receipt of the items below.

1. A signed Reclamation Contract (Form MR-RC) (enclosed) and reclamation surety in the amount of \$25,100. Please contact the bonding coordinator, Penny Berry at (801) 538-5291 or bondcoordinator@utah.gov to obtain the appropriate bond forms.
2. Currently the Division holds a CD in the amount of \$12,000 in the name of Utah Pumice and Perlite Inc., Ray Mining can:
 - a. Change the name on the CD at the bank to Ray Mining and then add an additional surety of \$12,100 in Ray Mining's name to create a total surety of \$25,100 **OR**
 - b. Supply a reclamation surety of \$25,100 in the name of Ray Mining. Once that is received the \$12,000 surety for Utah Pumice and Perlite can be released.

If the above information is not received within 45 days of this letter, including reclamation surety, the transfer will be denied and a new application will need to be submitted. If you have questions regarding this letter, please contact me at (801) 538-5261.

Sincerely,

Paul Baker
Minerals Program Manager

PBB:jrp

P:\GROUPS\MINERALS\WP\M027-Millard\S0270055-Cudahy\draft\trans-def-3664-08172010.doc

